



Highlights of 2010 Accomplishments

King County Auditor's Office

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Government Accountability and Oversight Committee
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Achieved Performance, Efficiency & Accountability Impacts

- **Audit** recommendations had significant program and cost impacts and assisted with 2011 budget deliberations
- **Capital Projects Oversight** program strengthened capital project monitoring and reporting
- **Countywide Performance Management** Work Group advised on county's first strategic plan
- **Countywide Community Forums** highlighted issues of concern to King County residents

Jail Planning & Operations Audit

- Findings:
 - Costs rising while inmate population and revenues declining
- Recommendations to mitigate risks, save money, and improve financial planning
- Council adopted budget provisos



Emergency Medical Services Levy Audit



■ Findings:

- Some strategic initiatives saved \$4.9 million
- Impact of other initiatives could not be verified
- Remounting ambulances could save \$450,000 annually

■ Recommendations:

- Implement performance measurement of outcomes and purchase vehicles based on life cycle cost analysis

Metro Transit Bus Procurement Audit

■ Findings:

- Transit has been successful in purchasing similar buses at lower cost than other transit entities we surveyed
- Transit could strengthen bus quality assurance efforts
- Transit cannot demonstrate that bus purchases have been timely

■ Recommendations:

- Develop a prioritized set of strategic procurement goals
- Update processes and procedures and enhance inspection accountability
- Measure and manage the performance of bus procurements



Follow-up on Implementation of Recommendations from 2009 Performance Audit of Transit

- Effective implementation underway
- Recommendations tracking:

DONE	21	have been fully implemented
PROGRESS	6	are in progress or partially implemented
OPEN	14	remain unresolved
	10	are not yet scheduled to be completed

- Impacts include:
 - Exceeded target, saving 80k annual hours of service (\$7.2 million)
 - Timely expansion of Paratransit Community Access program saved \$3.6 million
 - Achieved other staffing efficiencies and savings

Custodial Services Performance Audit

- Findings:
 - FMD needs improved practices for:
 - Assessing custodial workload
 - Supervising custodians
 - Communicating with tenants
 - Evaluating custodial performance
 - Custodial costs higher than local or national averages, in part due to higher salaries
- Five recommendations to improve management practices



Assessment of the Wastewater Treatment Division's Productivity Initiative

- Ten-year program designed to adopt private sector practices while reducing costs
- Initiative achieved intended efficiencies and cost savings especially in first five years
- Less successful in sustaining performance on goals for quality, customer service, and employee management
- Cost savings mainly salary related
 - What should be counted as savings?



Capital Processes Strengthened

- Developed instrument to compare the relative risks on major capital projects
 - Guidance to council where additional scrutiny and phased funding would be most beneficial
- Developed process to identify new projects for review
 - Used to develop Solid Waste Transfer Stations Audit

Oversight of Major Capital Projects

Accountable Business Transformation

- Recommended greater attention to staffing needs, agency readiness, and consultant contracts
 - To contribute to effectively implementing the new finance, payroll, budget, and performance management systems

KING COUNTY AUDITOR'S OFFICE
Capital Projects Oversight
King County
ACCOUNTABLE BUSINESS TRANSFORMATION (ABT) PROGRAM
OVERSIGHT REPORT FOR FOURTH QUARTER 2010

CURRENT RISK RATING Overall risk remains elevated due to tight project schedules, limited budget flexibility, simultaneous project implementations, and staff vacancies. Attention is needed to adhere to project schedules and keep project teams fully staffed in order to meet go live dates.

PROJECT STATUS ● No Current Concerns ▼ Attention Needed ● Corrective Action Needed

Scope
In September 2010, Finance Project scope was increased to address business needs for cash management, capacity charge billing, and side system integration. Payroll, Time and Labor (PTL) Project scope was changed to reduce the degree of automating pay rules.

Schedule
Schedule reflects new go live dates for PTL and finance projects approved in September 2010.

System/Project	Council-Approved Go Live Schedule	Current Go Live Forecast	Comments
Human Capital Mgmt	9/20/10	3/10/11 (delay)	Go live occurred 6 1/2 months late
PTL Group 1	1/3/11	1/1/12	Group 1: One-year delay
PTL Groups 2 and 3	Group 2: 7/3/11 Group 3: 1/1/12	1/1/12 (all groups)	Group 2: Six-month delay Group 3: Two delay
Finance	1/1/11	1/1/12	One-year delay
Operating Capital Budget	4/1/12	2/28/12	30-day acceleration
Performance Management	12/31/12	12/31/12	No Change

Budget
Budget reflects ABT's new forecast costs as of March 2011 based on scope, schedule, and other changes. Use of all but \$2.5 million of the contingency budget is required to meet new forecast costs of \$64.2 million.

Budget Category	Council-Approved Budget	Expenditures thru December 2010	Expenditures as % of Approved Budget	Forecast Costs at Completion	Forecast Change from Approved Budget
Planning	\$9,092,857	\$8,675,024	95%	\$8,675,024	(\$418,833)
Implementation	\$4,688,283	\$27,727,667	43%	\$65,040,216	\$30,352,533
Contingency	\$2,959,027	\$1,233,189	10%	\$13,454,247	(\$1,464,760)
Total	\$16,730,167	\$37,635,880	43%	\$84,172,387	\$64,464,760

Issues and Risks

- Side system readiness is critical for successful implementation of ABT projects.
- Governance structure reviews could impact ABT project schedules and costs if decisions are not made in a timely manner.
- Project schedules depend on keeping project teams fully staffed with the required expert functional and technical skills.
- Successful ABT implementation relies heavily on meaningful input and active participation by county agencies during all ABT meetings and review processes.
- Success in meeting new go live schedules will require adherence to new project plans.

Oversight of Brightwater Capital Project

- Recommendations: Address the interval between treatment plant completion and startup, pursue cost saving opportunities, and strengthen project management
 - Improved reports to council
 - Enhanced executive oversight



Countywide Community Forums Public Engagement Program



- Two forums drew over 1,000 county participants
 - “Improving Customer Service and Public Engagement in King County”
 - ✓ Respondents value *knowledge* most highly for customer service
 - ✓ 55% felt they had been treated with respect by King County
 - “Citizen Priorities for Government During Challenging Economic Times”
 - ✓ 64% of respondents think *program efficiencies/increase productivity* most likely to fix long-term gap
 - ✓ 68% think King County should continue investing in performance management and budget reporting systems that deliver more efficiency, transparency, and accountability

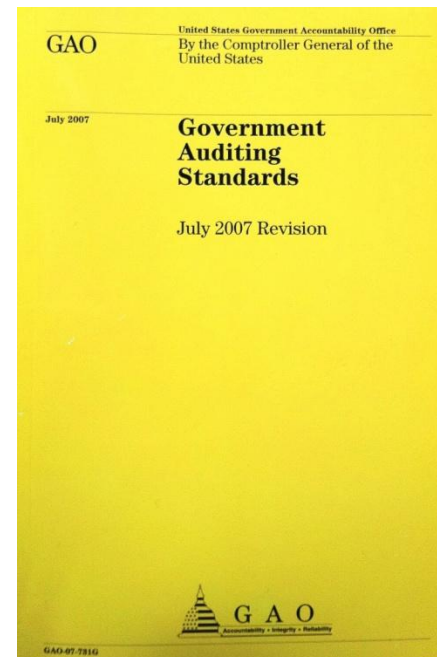
Countywide Performance Management Work Group

- Advised on advancing the vision of a countywide strategic planning, performance management, and public reporting system
 - Recommendations on first county strategic plan
 - Recommendations on improving linkage to budget



Peer Review Results

- Passed third peer review:
 - During 2008-2010, KCAO complied with applicable Government Auditing Standards
- Peer review team was impressed with the high quality, relevance, and impact of our work
- Received positive feedback from the office's stakeholders



Tracking Longer Term Impacts

- Our mission is to promote and improve performance, accountability, and transparency in county government
- An indicator of success is the extent of implementation of our recommendations

2007-2009 Accomplishments	Results
22 Audit Reports	150 Recommendations
Recommendations Concurred With	99%
Recommendations Implemented	78%

2011 Work Program Examples

Project	Scope
Performance Audit of the King County Sheriff's Office	Review the Sheriff's Office regional and local law enforcement services, workload, and staffing in comparison to the state mandated levels of regional and local law enforcement services and any applicable benchmarks.
Capital Planning Performance Audit of Solid Waste Transfer Stations	Examine financial plans, rate models, and cost estimates to build several transfer stations in the county.
Emergency Medical Services (EMS) Levy Financial Audit	Review the EMS Division 2010 revenues and expenditures to ensure compliance with the EMS Levy financial plan and confirm efforts to implement the recommendations from the previous year's financial review. Evaluate potential opportunities to improve the cost-effectiveness of program operations.
Countywide Strategic Planning and Performance Management Program	Continue to facilitate the Countywide Performance Management Work Group. In 2011, the advisory Work Group focus will include efforts to implement the first countywide strategic plan and the development of performance measures and agency strategic plans. The Work Group will also propose refinements to county code on the subject of performance management.
Countywide Community Forums Program	Continue oversight of this mandated citizen engagement program which provides a network of community forums, through which citizens can participate in small group discussions to provide input to county officials on a variety of current issues. Two to three forums will be held in 2011.
Capital Projects Oversight	<p>Continue to implement the model developed in 2007 for the capital projects oversight program by:</p> <ul style="list-style-type: none"> • Working with the legislative and executive branches to improve policies and project management practices and countywide systems for capital project delivery including better cost estimating, schedule development, and risk assessment. • Conducting an evaluation of the results of implementation of the CPO model to date. • Conducting direct project oversight to promote successful project delivery and to provide the council with timely information on project scope, schedule, budget, and risks on the following selected projects.

Collaboration Appreciated

- Accomplishments due to continued support and assistance from:
 - King County Council and council staff
 - King County agencies
 - Countywide Performance Management Work Group
 - Public and other interested parties
 - County Auditor's office staff team

For copies of documents, please visit us at:

<http://www.kingcounty.gov/auditor>

<http://www.kingcounty.gov/auditor/communityforums.aspx>

